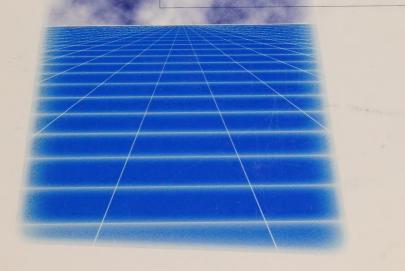
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## OPTIMIZING RESOURCES

## FOR Health

Are we tackling the real issues?



THE PREMIER'S COUNCIL

FINAL REPORT OF THE RESOURCE MANAGEMENT COMMITTEE



**Op-ti-mize** / '**äp-tə-mīz**/: to make as perfect, effective, or functional as possible.

(Webster's Ninth Collegiate Dictionary)





The Premier's Council

Le Conseil du premier ministre

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March, 1995

The Honourable Bob Rae Premier of Ontario Chair of The Premier's Council Queen's Park Toronto, Ontario M7A 1A1

Dear Premier:

The Resource Management Committee of the former Premier's Council on Health, Well-being and Social Justice is pleased to submit its final report, *Optimizing Resources for Health: Are We Tackling the Real Issues?* 

We began our work in January, 1992 expecting to concentrate on a general analysis of program expenditures in health and social services. However, after considerable study and consultation, we redefined our mandate to focus on four specific topics covering a broad range of resource management issues: resource reallocation; labour adjustment and mobility; community job creation; and devolution of decision-making.

When we first identified these issues, we did not fully appreciate how crucial they would turn out to be. In hindsight, after three years of work, we have become convinced that these are the "real" issues Ontario must begin to tackle if we are to improve the health and well-being of Ontarians.

Among the conclusions in our report are the following:

Fundamental reform in health and social services is required. The incremental change that is happening now in resource management and allocation will only make real reform more difficult in the future. We must begin this reform by moving to funding based on the health needs of the population, rather than funding allocations based on existing or historical expenditure patterns.

In future, we expect fiscal constraints to get even tougher than they are now, and
medium-term labour adjustment and mobility issues will become more urgent.
 These issues must be tackled head on because they will have a huge impact on
service provision and on those who work in the health and social services systems.

- There is enormous potential for communities to play a greater role in economic development, labour adjustment and decision-making in health and social services. Sometimes the greatest barrier to community action is the structure of government itself its institutions, programs, and budgets. Government needs to free up the capacity of communities to innovate.
- It is time to test devolution of decision-making. Pilot communities should be selected and the outcomes evaluated to see if devolution in health and social services produces real benefits for people.

A set of next steps was approved at the last joint meeting of the Premier's Council on Health, Well-being and Social Justice and the Premier's Council on Economic Renewal. These include a research project on needs-based funding, regional forums on labour adjustment and mobility, further involvement with communities on economic development, and continued work on evaluating the merits of devolved decision-making.

We believe that the structure of the new Premier's Council will help us take these steps successfully. It has been a pleasure and a challenge to have had the opportunity to work on such interesting and important issues.

Yours sincerely,

Joy Warkentin (Chair),

on behalf of the Resource Management Committee

Jalynn Bennett Cliodhna McMullin

Ted Boadway Jodey Porter

L. Jay Wartentin

John Evans Don Richmond

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Jonathan Lomas Barbara Stewart

### A CKNOWLEDGEMENTS



This report represents a truly collaborative effort. The Resource Management Committee is indebted to a wide range of people — community representatives, government partners, health service managers and providers, consumers, labour representatives, academics and researchers — who participated in the various projects undertaken. These people broadened the scope of our vision and deepened our understanding of the many issues forming and facing the health and social services systems.

Special thanks are extended to the members of the Task Force on Devolution whose work was led by Peg Folsom and Jonathan Lomas; the Planning Sub-Committee for the "Creating a Future that Works" project chaired by Don Richmond; and the many individuals interviewed as part of the labour adjustment project — an initiative spearheaded by two of our members, Julie Davis and Peter Glynn.

Many thanks are owed to Cheryl Hamilton who assisted in preparing the final report. The Committee also expresses its appreciation to the capable staff (former and present) of The Premier's Council, namely Sandra Bars, Stephen Dibert, Cathy Fooks, Brad Graham, Nicole Spence, Sharon Steinman and David Zago for their efforts in facilitating various segments of the work. Finally, we thank Beverley Nickoloff, project coordinator for the Resource Management Committee, for helping us move our agenda forward and for managing the work of our group.

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## EXECUTIVE SUMMARY



THE FINAL REPORT OF THE RESOURCE MANAGEMENT COMMITTEE OF THE FORMER Premier's Council on Health, Well-being and Social Justice presents analysis and recommendations in four broad policy areas:

- RESOURCE REALLOCATION
- LABOUR ADJUSTMENT AND MOBILITY
- COMMUNITY JOB CREATION
- DEVOLUTION OF DECISION-MAKING.

The challenge now being faced in Ontario's health and social services systems is how to improve health and well-being, when pressures on the system are increasing and within existing or diminished financial resources. But this challenge is not confined to the difficult task of reallocating scarce resources within one system with its many components, like health care. It extends to questions of how to reallocate resources across service systems. It goes beyond questions like, "How much can we cut from this budget?" to, "How can we change this system and improve the health and well-being of Ontarians?" It extends to questions of how to maintain healthy families and communities when many people can't find work for extended periods of time.

The report identifies what the Committee sees as common themes in resource reallocation, labour adjustment, community job creation and devolution:

- fundamental reform is needed, not just incremental change;
- new options are needed to meet the challenge of diminishing resources;
- the link between health and economic well-being must be recognized in priority-setting;
- existing structures of government are barriers to real reform;
- moving responsibilities to communities offers potential, not panaceas; and
- planning and resource allocation should be based on needs.

#### THE COMMITTEE RECOMMENDS THAT:

- 1. Ontario should move towards allocation of resources based on the health needs of residents in a geographic area rather than allocation based on existing or historical expenditure patterns.
- 2. Reform of provincial health spending and service provision should be comprehensive; that is, it should move beyond current reforms that affect specific budget categories to include the total health spending envelope.

- 3. A labour adjustment strategy should be developed for the medium term (three to five years) that cuts across the various sub-sectors in health and social services, enables development of local/regional strategies within a provincial strategy, tackles issues of mobility and retraining, and promotes improvement in health outcomes.
- **4.** The provincial government should examine the potential of lifting restrictions and providing incentives to support, encourage and sustain local leadership and innovation in community-based economic development.
- 5. The province should commit itself to instituting demonstration projects to test the devolution of significant authority for health and social services to the regional or local levels. That authority should include responsibility for resource allocation that would allow for trade-offs among programs and ministries. These projects should be subject to rigorous evaluation.

In addition to its recommendations, the Committee presents next steps, which were approved by a joint meeting of the Premier's Council on Health, Well-being and Social Justice and the Premier's Council on Economic Renewal.¹ Next steps include, for example, a major research project on needs-based funding. These steps are ways in which the new

Premier's Council — formed in June, 1994 from a restructuring and amalgamation of the two councils — can further advance debate and understanding on these important matters.

The Committee realizes that its recommendations will be difficult and controversial to implement. If they were easy to do, they would not represent radical reform. It is the Committee's view that the overarching public policy issue of the '90s — improving outcomes within limited resources — will be addressed only if public policy makers are willing to break through existing barriers — to make a fundamental realignment in the way resources are provided for health and social services, in both financial and human terms, and to take a chance on releasing the potential of communities to find some of their own solutions.

That breakthrough will require a determination to approach policies, programs and resources in ways that reflect the real lives of people and communities as they are today. It will require a framework that promotes both diversity and equity, and will demand collaboration among a diverse set of players in communities and across service systems.

...the overarching public policy issue of the '90s — improving outcomes within limited resources — will be addressed only if public policy makers are willing to break through existing barriers — to make a fundamental realignment in the way resources are provided for health and social services ... 99

<sup>1.</sup> The Premier's Council on Economic Renewal (PCER) was established in June 1991 to build on the work of the previous Premier's Council (1987-1991) from which two notable reports originated: *People and Skills in the New Global Economy* and *Competing in the New Global Economy*. The mandate of the PCER was to provide advice to the Premier and the government on long-range issues pertaining to economic policy development and implementation. In June, 1994 the Premier's Council on Health, Well-being and Social Justice and the Premier's Council on Economic Renewal merged and became known as The Premier's Council.

# SECTION ONE

## Introduction

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It goes beyond questions like "How much can we cut from this budget?" to, "How can we change this system and improve the health and well-being of Ontarians?" It extends to questions of how to maintain healthy families and communities when many people can't find work for extended periods of time.

#### HE RESOURCE MANAGEMENT COMMITTEE

THIS REPORT DESCRIBES THE WORK AND RESULTING RECOMMENDATIONS OF THE RESOURCE Management Committee of the former Premier's Council on Health, Well-being and Social Justice.

Its purpose is to sum up what the Committee has accomplished since it was established in 1992, and to gather together, under one cover, its conclusions. These conclusions are based on the experience and analysis of the sub-committees, task forces, policy forums and studies that have formed a substantial part of the Committee's work. In this report, the Committee puts forward what it has distilled from the mass of research, consultation and debate on health and social services carried out in four policy areas:

- RESOURCE REALLOCATION
- LABOUR ADJUSTMENT AND MOBILITY
- COMMUNITY JOB CREATION
- DEVOLUTION OF DECISION-MAKING.

The intent is not to repeat all that has gone into the many background reports that have been generated through the Committee's work. (These reports are available through The Premier's Council and are listed in Appendix E.) Rather, this report tries to look at the breadth and depth of what has been learned, and make some conceptual links across policy niches and over system barriers, in light of the potential impact on the health and well-being of Ontarians.

#### a) Interpreting the Mandate

A major challenge in an exercise such as this one is bringing diverse viewpoints to some common ground. The Committee membership itself represented different perspectives, with members from within and outside government, from different fields, including health care, academia, professional associations, the private sector, social services, and business. (The members are listed in Appendix A.)

One of the challenges
of tackling large and
controversial matters
is often finding the
right questions to ask.

The Committee took a somewhat circuitous route to get where it is today. That, in itself, says much about the scope and seriousness of the issues facing a group with a mandate "to propose new policy directions for an equitable allocation of provincial resources to ensure accessible, affordable and appropriate health and social services". One of the challenges of tackling large and controversial matters is often finding the right questions to ask.

The challenge now being faced in Ontario's health and social services systems is how to improve health and well-being, when pressures on the system are increasing and within existing or dimin-

The entire business of funding and providing health and social services is changing in ways that could not have been predicted a few years ago.

ished financial resources. Ontario is not alone in facing this challenge. Demographic shifts, changing consumer demands and preferences, high public debt, shrinking government revenues, and loss of federal transfers are some of the major trends that have forced all provinces to look inside their systems and consider new ways of allocating and managing scarce resources. The entire business of funding and providing health and social services is changing in ways that could not have been predicted a few years ago.

The challenge is not confined to the difficult task of reallocating scarce resources within one system with its many components, like health care. It extends to questions of how to reallocate resources across service systems. It goes beyond questions like "How much can we cut from this budget?" to, "How can we change this system and improve

the health and well-being of Ontarians?" It extends to questions of how to maintain healthy families and communities when many people can't find work for extended periods of time.

In its initial interpretation of the mandate, the group decided to explore issues such as the relative priority of current health and social services expenditures; factors contributing to expenditure growth; and ways to direct and redirect expenditures to where they could potentially achieve the greatest gains in health, well-being and social justice.

The work began with a detailed review of health and social services expenditures. But the focus evolved as the group delved further into issues and as circumstances changed. For example, a review of social assistance expenditures — where costs were climbing steadily — led to consideration of the potential for reform of the welfare system, and then evolved into an effort to help generate community solutions to problems of unemployment and job creation.

The Committee decided to look at the possibilities for radical reform, rather than incremental change. It looked beyond specific programs and government ministries to system-wide issues over the medium to longer term. It felt that the solutions to current problems of resource rationing in difficult economic times would lie in the broader arena of community and individual needs for health and well-being.

#### b) Practical Considerations: The Need for Flexibility

The direction the Committee's work took was also a function of practical considerations, such as not wanting to duplicate expenditure program reviews already under way in government, and not having the resources to do so in any case. More important, the group was conscious of its own unique make-up and capabilities, and looked for ways in which it could add more value to the debate.

The Committee's work (taking place in the period 1992-1994) was critically influenced by the escalating economic and fiscal pressures and changing responses to those pressures. Although the prime focus was medium to long-term policy analysis, the urgency of fiscal realities facing the government of Ontario required immediate response. As a consequence, the group provided short-term budgetary advice, while continuing its study of the wider issues.

The Committee's work was affected by its relationship to government. Because of the makeup of the Committee and of The Premier's Council itself — with representation from within and outside the Ontario government — members of the Committee felt that their role was partly an arm's-length one of external advisor and partly that of an internal participant in what was happening in government. What the government did or did not do certainly had an impact on the Committee's work.

As a result, the Committee sometimes had to shift gears to accommodate what was happening outside or within government. For example, the Committee changed its plans for a medium-term labour adjustment agenda when the government instituted the Social Contract<sup>2</sup> in the spring of 1993. The Social Contract not only occupied everyone's attention, it also significantly altered labour-management structures and relationships in the public sector.

The Committee's work was also caught up in the debate within the government over devolution of decision-making in health and social services to the local level. Although the Committee wanted to see demonstration projects set up to test how devolution would work, it could only urge such action; it had no authority to make it happen. When demonstration projects did not get off the ground, the Committee turned its attention to developing an evaluation model for devolution where and when it occurs.

The Committee recognized that in dealing with major changes in the public sector, it could not realistically insulate itself from the tensions created by change and conflict in the economic and political environment. The relevance of the issues on its agenda — such as labour adjustment and devolution — was reinforced by the controversy that surrounded them. In these circumstances, the Committee has done its best to add value to the debate by generating ideas, pursuing opportunities for constructive and innovative solutions, and endeavouring to keep these important issues on the "front burner" of public policy in Ontario.

#### c) The Format of this Report

This report is divided into three sections.

- Section One provides the context for the policy discussions and conclusions that follow. It briefly discusses the economic and fiscal environment and the determinants of health key issues that influenced the work of the Committee.
- **Section** *Two* includes four chapters that summarize the analysis and key findings in the four policy areas studied by the Committee:
  - resource reallocation
  - labour adjustment and mobility
  - community job creation
  - devolution of decision-making.
- Section Three presents common themes, conclusions and recommendations.

<sup>2.</sup> The Social Contract was undertaken by the Ontario Government in 1993 to achieve \$2 billion in savings from public sector compensation. It was one of a number of fiscal measures adopted by the provincial government to manage public expenditures and government debt.



THIS CHAPTER TALKS ABOUT THE REALITIES OF THE ECONOMIC AND FISCAL ENVIRONMENT and their impact on the Committee's thinking. It also discusses how the group's understanding of the determinants of health provided a basis for its approach to tackling the issues identified as priorities for review.

#### a) The Economic and Fiscal Environment

The economic and fiscal environment of the period 1992 through 1994 was extremely important as a backdrop to the Committee's work, the directions it took, and the conclusions it reached.

The "fiscal crunch" in the public sector in Ontario was obviously of keen interest to a Committee with a mandate to look at resource management in health and social services. However, the Committee realized that fiscal issues were inextricably linked to major changes in the economy, and that they could not be considered in isolation from the economic challenges. A deep recession and the impact of industrial restructuring, driven by new global trading patterns and new technologies, profoundly changed Ontario's economy in the 1990s. The fiscal climate has also changed — not just for the period of the recession, but for the longer term.

#### Some of the specific trends and stresses noted by the Committee were:

- The recession resulted in significant job losses in Ontario's manufacturing sector, much of them permanent. These losses compounded the steady growth in national unemployment figures: from 2.7 per cent in the late 1940s, 5.1 per cent in the 1960s, 9.3 per cent in the 1980s, to 11.3 per cent in 1992 (calculated from Statistics Canada publications).
- The nature of unemployment has changed, particularly in the area of long-term unemployment. In the mid-1970s, 13.5 per cent of the unemployed were out of work for six months or more. That figure nearly doubled in the 1980s, and in 1993 stood at 30 per cent. The advent of structural unemployment, in which the unemployed possess skills for which there is no demand or they are considered too old for retraining, appears to be creating an unbridgeable gap for many of the unemployed.
- Higher unemployment rates persist for certain population groups such as indigenous peoples, women and older workers. Unemployment also varies by region.

- The nature of employment has changed. The labour market continues a trend to polarization of both work and working conditions. About half of new jobs created are in well paid, high skill fields such as financial services and computer applications. The other half have been characterized as non-standard jobs: low paid, low skill, many of them temporary or part-time, filled by people with low educational levels and by traditionally underemployed groups. The number of part-time workers (less than 30 hours per week) has increased from 16.9 per cent (1975) of total workers to 21.7 per cent (1991), while the number of full-time workers fell from 69.9 per cent to 63.4 per cent in the same time span.
- Furthermore, while full-time work is unattainable for many, overtime hours for other workers are on the rise: the number of people working more than 50 hours a week has risen from 13.2 per cent of total workers in 1976 to 15.2 per cent in 1992 (data obtained from Statistics Canada).

These trends are contributing to the polarization of income levels in Canada: fewer (but richer) rich people, a growing number of people living below the poverty level and a declining middle class. These trends are not expected to change in the foreseeable future. The capacity of the changing economy to provide traditional employment as the dominant source of income is in question.

The impact on government of changes in the nature, number and distribution of jobs is two-fold: high unemployment reduces income and sales tax revenues, while at the same time it increases demand for income support programs, such as social assistance. The resulting fiscal squeeze, compounded by the reduction in the share of costs covered by federal transfer payments, has put enormous pressure on the Ontario government to reduce spending while responding to the issues of unemployment. The Province's annual budget deficit exceeded \$10 billion in 1991-92, and despite a series of expenditure constraint measures which included the reduction of public sector compensation costs through the Social Contract, has stayed in the range of \$10 billion for the three subsequent fiscal years, adding annually to the accumulated debt and accompanying debt interest charges.

It is the Committee's view that we cannot turn back the clock of economic change, nor can we expect a rapid recovery in the government's fiscal situation. The changes that have occurred are profound and irreversible. For the next several years, the Ontario government can be expected to continue to grapple with difficult issues of resource management and allocation — or, more precisely, the reallocation of diminishing resources.

#### b) The Determinants of Health

The policy work on the determinants of health by The Premier's Council and other research bodies provided a strong foundation for the Committee's work. The projects identified by the Committee reflected an understanding of health that is not confined to the system of health care — as important as that system is to all Ontarians. Health care practitioners and

...we cannot turn back the clock of economic change, nor can we expect a rapid recovery in the government's fiscal situation. The changes that have occurred are profound and irreversible.

hospitals are essential to treating disease and injury. But it has become increasingly clear that there are other factors outside the formal health care system that have an enormous impact on people's health. They include income and employment, housing and other living conditions, workplace safety, education, the social supports of family, friends and community, and the nurturing of children's development.

The determinants of health analysis tells us that people who can't find a job, who have to rely on social assistance, whose confidence is undermined by long-term unemployment, are experiencing stresses on their health. And that stress extends to their families. Where whole communities are dislocated by major economic change — a plant closing that puts half the town out of work — the health and social stresses are community-wide. This analysis could not be more timely — when unemployment remains persistently high, when there is a federal review under way of Canada's national social safety net, when restructuring is occurring in both the private and public sectors, and when governments of all stripes are seeking ways to make more effective and efficient use of scarce public dollars.

A 1989 paper on population health from the Canadian Institute for Advanced Research notes: "We are becoming increasingly aware of the limits to what medicine can achieve, and of the much larger scope for improvement in health from a deeper understanding of these other determinants." It continues: "A broader perspective on the determinants of health leads to the very real concern that over-emphasis on health care interventions may absorb attention and resources which could make a greater contribution to health if used outside the health care system itself." <sup>3</sup>

A discussion paper on *Population Health* put out in May, 1994 by the Canadian Medical Association set out the fiscal context clearly: "Annual health spending in Canada is now approaching \$70 billion, representing 10 per cent of the Gross Domestic Product. As health accounts for about one-third of the total financial outlay of most provincial/territorial governments in Canada, it is not surprising that governments are exploring new ways of thinking about health and health care.... this exploration has encompassed a wide range of initiatives which attempt to place the health care system in a much broader context of the determinants of health."

The Committee approached issues of resource management in health and social services within this "much broader context" of improving health outcomes for Ontarians.

<sup>3.</sup> The Health of Populations and The Program in Population Health, Canadian Institute for Advanced Research, Toronto, January, 1989. The purpose of the Program is to contribute to both a framework of understanding of the determinants of health and the development of data bases to show their interaction and impact.

<sup>4.</sup> Population Health, A Primer on Concepts and Policy Prospects, a discussion paper prepared by Anita Kothari and Owen Adams. Department of Health Policy and Economics, Canadian Medical Association, May, 1994.

# SECTION TWO Analysis of Issues and Key Findings

Sovernments, institutions and agencies funded through public dollars will need to continue setting priorities which make the best use of scarce resources....

... the fiscal situation, far from getting easier, may well become more difficult. What has seemed to be a period of upheaval in health and social services may be only a preliminary wave of change — the tide has yet to come in.

## Reallocation of resources

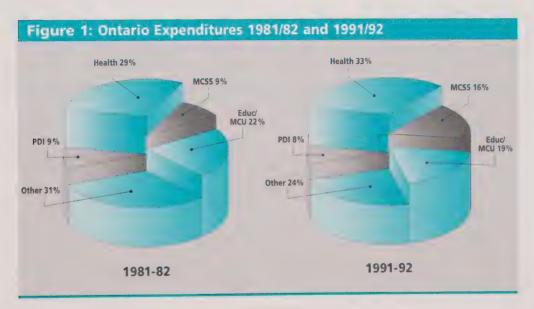


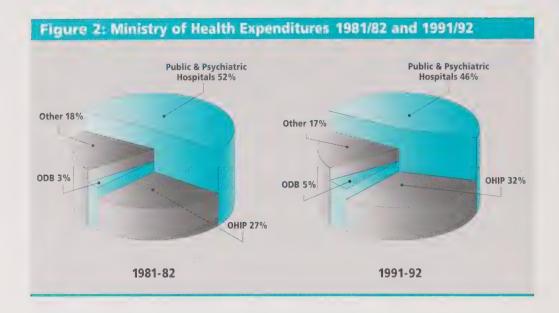
#### a) The Expenditure Review

One of the Resource Management Committee's first tasks was to determine the trends in Ontario's health and social services spending within the context of a broad understanding of health and well-being. An intensive analysis of health and social services spending between 1981-82 and 1991-92 was conducted

To begin with, the group noted that the two largest contributors to the growth in Ontario government spending were the Ministry of Health (MOH) and the Ministry of Community and Social Services (MCSS). These two ministries alone represented \$25 billion — almost one-half of all provincial expenditures (See Figure 1). In 1981-82, the Ministry of Health accounted for roughly 29 per cent of total spending; in 1991-92 this proportion stood at 33 per cent. The increase in share of total spending by the Ministry of Community and Social Services was even more dramatic, increasing from approximately 9 per cent of total spending to 16 per cent over the decade. In 1991-92, the Ministry of Health was spending more than \$17 billion, with an annual growth rate of of 11.3 per cent over a 10-year period. The Ministry of Community and Social Services was spending \$8.3 billion, with an annual growth rate of 16.7 per cent over the decade.

The analysis by the Committee probed more specifically into the major sources of increased spending. The three main expenditure areas in the Ministry of Health, accounting for approximately 80 per cent of its spending, were: the operation of hospitals, the Ontario Health Insurance Plan (OHIP) and the Ontario Drug Benefit (ODB) program (See Figure 2). The main area that accounted for the most spending in social services was the income maintenance or social assistance program (60 per cent of total spending) which also represented the fastest growing area in MCSS spending.





In conducting its review of these expenditures, the group focused its analysis on three sources of increased spending:

- PRICES, SUCH AS DRUG PRICES AND DOCTORS' FEES;
- TOTAL NUMBER OF BENEFICIARIES; AND
- PER CAPITA SERVICES, SUCH AS NUMBER OF DRUGS PER BENEFICIARY, NUMBER OF MEDICAL SERVICES PER PATIENT.

This analysis resulted in some surprising findings. It showed, for example, that the major cause of the 19.2 percent average annual increase in the Ontario Drug Benefit Program over the decade was attributable to a more expensive mix of drugs being prescribed, not an increase in the number of prescriptions per beneficiary or an increasing number of beneficiaries.<sup>5</sup>

The analysis also showed that increased expenditures by OHIP were caused primarily by an increase in per capita services (i.e. more services delivered by each physician) and that there had only been a slight growth in the number of beneficiaries and a moderate increase in prices (i.e. doctor's fees). As might be expected, the explosion in social assistance costs was driven largely by the rapid increase in the number of beneficiaries.

As a result of its analysis of health and social services spending, the Committee made specific suggestions to the Ministry of Health early in 1993, calling attention to the issues of:

- drug pricing, particularly introductory pricing, including the need for guidelines for the adoption of new drug therapies; and
- the tendency of across-the-board hospital funding to entrench historical patterns of funding, rather than responding to the needs and performance of individual hospitals.

<sup>5.</sup> This analysis did not consider whether the number of prescriptions was appropriate to the need of the patients; it only dealt with three elements: price, number of beneficiaries, and volume of services.

In addition to providing short-term advice, the Committee used the analysis of spending patterns in health and social services to assist in identifying specific projects and priorities for review.

#### b) Principles for Resource Reallocation

To help ensure that health, well-being and social justice were preserved during a period of fiscal constraint, the Committee worked with other committees of the Premier's Council to develop principles to guide the reallocation of government spending. In the end, six principles for resource reallocation, incorporating the concerns and viewpoints of a broad spectrum of Council representatives, were presented to the Ontario Minister of Finance in the spring of 1993 as part of the pre-budget forums.

The Committee is convinced that its advice on resource reallocation — in principle and in practice — remains relevant and bears repeating in this report. The Committee believes there is every likelihood that constraints on spending will continue; the current fiscal environment will not be short-lived. Governments, institutions and agencies funded through public dollars will need to continue setting priorities which make the best use of scarce resources. In fact, Committee members believe that the fiscal situation, far from getting easier, may well become more difficult. What has seemed to be a period of upheaval in health and social services may be only a preliminary wave of change — the tide has yet to come in.

Therefore, the Committee puts forward its reallocation principles (See Figure 3) as a benchmark against which future reallocation decisions and government spending priorities should be measured

#### Figure 3: Reallocation Principles

- **1. FOSTER ECONOMIC RENEWAL TO SUSTAIN WELL-BEING:** Accompany any reductions in human services expenditures with an aggressive economic renewal strategy that encourages job creation.
- **2. INVEST IN THE DETERMINANTS OF HEALTH:** Identify, and invest in, those areas outside the formal health and social services sectors that contribute to enhancing equity and well-being (e.g. education and training, housing, job creation).
- **3. PROMOTE EQUITY:** Promote equity through resource allocation mechanisms and processes that will not increase the gap between the advantaged and disadvantaged.
- 4. PROVIDE INCENTIVES FOR TRANSFORMATION OF HUMAN SERVICES: Provide incentives to restructure and transform human service delivery systems. Any strategies for restructuring should place increased emphasis on human capital, not physical infrastructure.
- **5. MITIGATE SHORT-TERM UNEMPLOYMENT:** Mitigate potential short-term job reductions with investment in longer-term training opportunities. There must be a balance between the need for restructuring over the longer term and layoffs in both the short and long term.
- **6. DEMAND ACCOUNTABILITY FOR OUTCOMES:** Greater accountability and measurable outcomes are required for publicly funded institutions, programs and individuals.

#### c) The Need for Comprehensive Reform

The principles for reallocation described above are relevant to all government spending — not just the Ministry of Health budget. That is because the work done on the determinants of health tells us the factors that influence health and well-being are not confined to the health treatment system. They include factors such as income, education, housing and so on. Having acknowledged the influence of these other determinants, one is still faced with the fact that the health treatment system consumes over \$17 billion, or about one-third, of total provincial government spending annually — the largest share of the budget.

Since the Committee carried out its initial review of spending for the decade 1981-82 and 1991-92, there have been some important changes. It says a lot about the pace of change in the '90s to realize that many of the trends found in the Committee's initial expenditure analysis are widely acknowledged in 1994, and some trends are already outdated. A key example is the rate of increase in health spending. Expenditure controls, various program reviews and other constraint initiatives have resulted in the virtual flat-lining of Ministry of Health spending in 1994-95.

The Ministry of Health has instituted a number of reform initiatives — in the hospital sector, laboratories, drug programs, long-term care, mental health, aboriginal health,

cancer strategy — to name only some of the areas where there are new directions. The Committee recognizes that the changes that have taken place over the last three years have been both substantive and hard won. However, there is concern that all the reforms in programs and delivery systems do not add up to fundamental system-wide health reform. In particular, the Committee has identified two major concerns:

One is the continuing reinforcement of historical patterns of use through traditional methods of health funding. The current mechanism of allocating resources to institutions, programs and providers is based largely on current institutional structures and past levels of use. There is no necessary or guaranteed relationship between the need for services and the allocation of funds. Continued allocation of funds in this manner will not only perpetuate any historical inequities in health and well-being in the province, but will continue to reinforce accidental or even perverse decisions on the location of providers, programs and institutions.

The other is the continuing segregation of budget categories within the health sector. An example is the budget for physician payments which is dealt with under the 1993 Interim Agreement on Economic Arrangements between the Province of Ontario and the Ontario Medical Association, which covers the fiscal years 1993-94 to 1995-96. There have been other agreements between the Joint Planning and Priorities Committee of the Ontario Hospital Association and the Ministry of Health, and between the Ministry and other groups such as nurses and academic health science centres. Again, these agreements have resulted in the protection of certain budgets from any reallocation process during the term of the agreements. The Committee understands the reasons for such agreements.

The current mechanism of allocating resources to institutions, programs and providers is based largely on current institutional structures and past levels of use. There is no necessary or guaranteed relationship between the need for

services and the alloca-

tion of funds.

They provide a certain amount of security and certainty for people whose institutions and incomes depend on the health budget. In fact, these agreements were instrumental in creating relative peace in the system while a number of constraints, including the Social Contract, were implemented.

However, the Committee is convinced that achieving medium to long-term solutions in the health sector will require comprehensive reform that bridges the various large "pockets" of funding that are now kept separate. Rearranging funding within segregated budget categories is certainly a challenge, but reallocating across the whole health sector offers the potential of much more fundamental, systemic reform to address a broader approach to health, rather than a focus on sickness.

#### d) Key Findings — Resource Reallocation

- The Committee believes the fiscal environment will not get easier and may well become more difficult. The province should approach spending priorities with the following principles in mind:
  - **FOSTER ECONOMIC RENEWAL TO SUSTAIN WELL-BEING**
  - INVEST IN THE DETERMINANTS OF HEALTH
  - **PROMOTE EQUITY**
  - PROVIDE INCENTIVES FOR TRANSFORMATION OF HUMAN SERVICES
  - **MITIGATE SHORT-TERM UNEMPLOYMENT**
  - **DEMAND ACCOUNTABILITY FOR OUTCOMES.**
- Real progress has been made in constraining health care spending since the Committee began its analysis of resource allocation and management.
   However, Ontario has yet to implement comprehensive health sector reform.
- Looking to the medium and longer term, the Committee is concerned that some decisions being made now to resolve immediate conflicts or problems will make it more difficult to address important issues for resource allocation and management in the future. They are:
  - THE CONTINUING REINFORCEMENT OF HISTORICAL
    PATTERNS OF USE OF HEALTH CARE SERVICES; AND
  - THE SEGREGATION OF CERTAIN BUDGET CATEGORIES FROM EACH OTHER.
- Health funding should be based on the needs of communities and the people in them, not on the needs of providers. Comprehensive health reform will be accomplished only if the health care budget can be tackled as a whole.

## TEDIUM-TERM LABOUR

#### ADJUSTMENT AND MOBILITY

#### a) Tackling the "People" Issues

In recognition of the seriousness of labour adjustment and mobility and the significant impact they have on issues related to resource management, the Committee decided to explore the development of strategies to address these issues in the medium-term. The focus was on preventive measures designed to minimize labour disruptions before they occur. This was seen as a priority by both labour and management interests around the Committee table.

Dealing with the "people" implications among those who work in the health and social services sectors should be important in the best of times. But given the high degree

> are an imperative in a period of fiscal restraint. The most significant costs of reducing, downsizing and reconfiguration are those associated with human resources. Approximately 75 to 80 per cent of Ontario's \$17 billion in health care expenditures is spent on human resources. The Committee recognized that some progress had been made by governments and other agencies in meeting shortterm labour adjustment needs. But it felt that medium-term issues (from three to five years ahead) had yet to be identified and addressed.

> > In the fall of 1992, the Committee decided to undertake a series of interviews with key representatives of management and labour in the health and social services sectors. The purpose was to obtain more information about mediumterm labour adjustment and mobility issues, with a focus on identifying potential future strategies for addressing the key

> > of labour intensity in these sectors, human resource issues

issues. Interviewees were also asked if The Premier's Council could play a role in helping to bring people together to explore labour adjustment and mobility issues.

The first series of interviews was conducted at the end of 1992. It became immediately apparent that interviewees held widely diverging assumptions, perceptions and opinions about key labour adjustment issues and about appropriate strategies to address them. There was, however, strong agreement that medium-term labour adjustment was a serious issue that needed attention and was not being adequately addressed by any group — management, labour or government.

66 The Committee recognized that some progress had been made by governments and other agencies in meeting short-term labour adjustment needs. But it felt that mediumterm issues (from three to five years ahead) had yet to be identified and addressed. 00

#### THE INTERVIEWS REVEALED THE FOLLOWING:

- Health and social services are comprised of many sub-sectors including hospitals, community health, long-term care, provincial and municipal social services. Labour adjustment issues and prospects are different in each sub-sector because they all have different mandates, funding, policies and labour-management relationships.
- Downsizing and fundamental restructuring, as a result of cost containment, is occurring not only in institutions but also in the community sector. As a result, there are few opportunities for job mobility from institutions to the community sector at least in the short-term.
- If former institutional workers are to secure jobs in community agencies (or vice versa) substantial retraining will be necessary.
- There is insufficient dialogue between those involved in adjustment assistance in the hospital sector and those in the community sector.
- A shift to more flexible, lower-cost workers appears to be the current trend in both the institutional and community sectors (e.g., from registered nurses (RNs) to registered practical nurses and health care aides), which reduces the potential for the redeployment of RNs in the community sector.
- Management sees the structure and processes for labour-management relations and worker job security moving in a different direction than health reform. Gaps in salary levels and the non-transferability of benefits and seniority, for example, pose substantial barriers to real mobility and adjustment.
- Layoffs could erode and reverse recent gains in employment equity which attempt to make agencies more representative of the clients they serve. Members of the designated groups could be adversely affected by traditional seniority policies if they had been hired recently under the employment equity emphasis.
- The Premier's Council was perceived as an appropriate organization to pull the key partners together to explore the key issues and strategies related to labour adjustment and mobility in the health and social services sectors.

Before the Committee could proceed with a workshop on these issues, the Social Contract intervened and the urgency of short-term solutions took precedence.

A year later, at the end of 1993, the Committee decided to re-interview as many of the same participants as possible to see how the environment had changed and what could be done to advance the debate.

In the second round of interviews,<sup>6</sup> labour adjustment and mobility were clearly considered even more important than a year earlier, but most participants were busy dealing with immediate concerns. There was little or no time for key players to worry about what was going to happen three to five years down the road — when layoffs, mergers and closures loomed on the near-term horizon. The disagreements between labour and government over the Social Contract and the lack of any common terminology with which to discuss the issues widened the understanding gap. However, by the end of 1993, there was no shortage of forums in which to talk; under the Social Contract and other initiatives, a plethora of committees, boards, panels, tables and other bodies had sprung up.

groups are also involved in their own issues, sometimes at cross-purposes with other professional groups. There is not much dialogue across sub-sectors. Furthermore, there is no common vocabulary or framework of understanding between management and labour or among the sub-sectors in which we could begin to find solutions. 99

The study conducted by the Committee indicated that while there is general agreement on the urgency of labour adjustment issues, there is little or no consensus on answers to the major questions. Each sub-sector (e.g. hospitals, long-term care, community health, provincial and municipal social services) is absorbed in its own issues, and involved in its own processes. Within these sectors, various professional groups are also involved in their own issues, sometimes at cross-purposes with other professional groups. There is not much dialogue across sub-sectors. Furthermore, there is no common vocabulary or framework of understanding between management and labour or among the sub-sectors in which we could begin to find solutions.

There is also sensitivity around what body is appropriate to bring the players together to discuss medium-term issues. There is seen to be a need for a neutral meeting ground. There was support for local or regional discussions under the auspices of The Premier's Council, or perhaps in partnership with key organizations such as the Ontario Training and Adjustment Board (OTAB) or the Health Sector Training and Adjustment Program (HSTAP).

#### b) Key Findings — Labour Adjustment and Mobility

- The Committee is convinced that the medium-term issues of labour adjustment and mobility must be resolved if reform and restructuring in health and social services are to be achieved. The Committee is also concerned that these issues must be addressed for the sake of the thousands of people who work in these sectors.
- Some of the key medium-term questions that need to be addressed are identified below. While there may be differences of opinion over which of these issues should be considered the most important, their identification will help focus future debate and reform strategies. The Committee's main concern is that people need to start thinking about answers, and soon.
  - What are the things that we should be doing in a reformed system? How should the work force be organized to accomplish what we need to do? Who should be doing what?
  - What will the health and social services work force of the future look like? How will key professions be structured? What will future jobs be? Where will they be?
  - What is an appropriate new definition of productivity for the health and social services sectors? What is the real "output" and what are the "inputs" that contribute to that output?
  - How can we establish better linkages between health policy reform and human resources requirements that will support these initiatives?
  - How can we facilitate labour mobility and institutional change within the health and social services sectors? How can we ensure that the institutions of service delivery, training, and employee representation do not act as obstacles to dealing with critical labour issues?
  - How can we make it easier for health workers to move between long-term care and acute care, institutional care and community care, prevention and acute care support, with as little additional training as possible? (This question applies equally to professional and non-professional workers.)
  - What is the impact of new legislation (such as the Regulated Health Professions Act) on the health professions and the mobility of health workers?
  - Who should have the responsibility for human resources planning in the health and social services sectors? What are the key issues that need to be addressed (e.g. numbers of graduates, curricula, type of professionals being trained)?
  - Should a portion of the academic resources currently being used to educate and train new graduates for entry into the health and social services sectors be reallocated to reeducate or retrain workers who have been, or who are likely to be, laid off? If so, how could this be done?

## OB CREATION AND COMMUNITY MOBILIZATION: THE "CREATING A FUTURE THAT WORKS" PROJECT

#### a) The Potential of Communities

During its initial review of expenditures on health and social services, the Committee found that the costs of supporting the social assistance program had risen dramatically and were continuing to rise at an alarming rate. The Committee's initial interest was to explore how current expenditures for social assistance could be reallocated in a manner that would lead to improvements in the personal, social and economic conditions of

66 ...communities have an essential role to play and a capacity to develop their own solutions to the problems of long-term unemployment in their midst.

people who rely on social assistance. However, there was also a strong realization that the issue of welfare reform could not be separated from the broader issues of joblessness and the economy.

There is a growing body of evidence that supports the strong causal link between growing welfare caseloads and prolonged unemployment. As a result, the Committee's initial interest in welfare reform was broadened to include training and retraining issues and job creation in recognition of the relationship between joblessness and health status. In the fall of 1993, the Committee established a Planning Sub-Committee to plan an appropriate process for addressing this issue. Appendix B lists the membership of the Planning Sub-Committee for what became known as the "Creating a Future that Works" project.

As the project evolved, it became clear that, as a first step, some underlying assumptions about the economy and about the capacity of the (new) economy to create employment, needed to be articulated and acknowledged. Thus, at the beginning of its mandate, the Planning Sub-Committee developed a number of assumptions to serve as a foundation for discussion (see Figure 4). The foremost of these was that communities have an essential role to play and a capacity to develop their own solutions to the problems of long-term unemployment in their midst. In essence, these assumptions represented the Sub-Committee's views on the capacity of the economy to create employment and the socio-economic reality within which society operates. The assumptions not only provided a framework for discussion; they also provided a foundation for the planning of the "Creating a Future that Works" project.

#### Figure 4: Policy Forum — "Creating a Future that Works" Underlying Assumptions and Beliefs

- In looking for solutions we need to look forward, focusing on the future, not the past. While the future cannot be predicted, a common understanding of the assumptions, trends and forces shaping the economy is essential.
- There is a link between economic prosperity and the health of society, and between the degree of self-determination and control and the health of individuals.
- Solutions must be found within the constraint of declining public funds.
- Government is promoting training and job readiness, but it is limited by its declining fiscal capacity, and more fundamentally by the absence of sufficient jobs; but even successful interventions of government carry the risk of creating a culture of dependency in the long term.
- Communities could do more to help themselves if the proper form of assistance were given and various obstacles were removed.
- We must be productive as a society to be prosperous, but there is a big difference between the productivity of society and the productivity of industry.
   A productive society engages those displaced from industry in other kinds of productive work.
- Existing social, economic, and political structures are being challenged for their effectiveness in policy formulation and implementation.
- An acceptable level of full employment may not be attainable in the short to medium term; however, we must develop options for creating new work, better opportunities for training and skills development, and other meaningful activities for those with limited prospects for employment.
- High rates of prolonged unemployment can be consistent with economic growth as we now measure it, but there is always a heavy social cost to high unemployment.
- Different strategies will need to be developed for the various segments of the unemployed population (e.g. chronic unemployed, underemployed, unemployed youth, equity seeking groups).
- Ontario will almost certainly not return in the near term to the growth and spending patterns of the late 1980s. However, we need to be clear that an adjustment in our standard of living does not necessarily equate with a lower quality of life.
- The quality of life of individuals is not solely related to income, but highly dependent on other factors as well.

The Sub-Committee felt that although there is an important role for government to play in guiding and directing change, the problem-solving and new solutions that are needed will have

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to happen in the community and the private sector. "Creating a Future that Works" thus evolved into a public policy forum aimed at addressing the strains and stresses placed upon Ontario's social programs by focusing on the potential for job creation at the community level.

#### b) The Policy Forum: "Creating a Future that Works"

The policy forum process was designed to initiate and support practical, well-informed dialogue among a variety of sectors at the local level. In late 1993, four geographic communities, representing the diversity of Ontario (urban and rural, southern and northern communities), were selected to pilot the forum process. The communities were Hamilton, Kirkland Lake, Sault Ste. Marie and the Rural Counties of Haliburton, Victoria, Peterborough and Northumberland.

#### There were three phases to the project:

- Phase 1: A videotaped panel discussion.
- Phase 2: A series of four local strategy discussions by the communities.
- Phase 3: Council discussion, evaluation and development of policy recommendations by the Resource Management Committee.

Appendix C lists the participants in the panel discussion and the local project co-sponsors in the four communities.

The videotaped panel discussion (Phase 1) brought together a small group of experts to discuss the key issues, trends and projections related to employment, economic growth and social transformation in Ontario, and to begin to identify practical options, opportunities and directions for communities to consider in the development of their own strategies for generating local employment.

Local discussions were co-hosted in the four communities by local sponsors and The Premier's Council. Sponsors were provided with a community profile showing demographic, economic and social trends. Videos and training for local facilitators and reporters for the forums were also provided. (Appendix E lists the videos and other resource materials produced for the project.) Sponsors were asked to ensure that participants represented a cross-section of the community. It was hoped that these community discussions would lead to the development of local action plans including recommendations and priorities for addressing issues related to work and employment.

<sup>7.</sup> In what follows, the term "community" refers to a geographic community. There was no attempt in this project to deal with communities of any other kind.

The four pilot communities held local strategy discussions between March and May, 1994. These discussions included talking about what actions could be taken at the community level; some approaches that had proved successful in other communities; the barriers that prevent people from helping themselves; and the roles and responsibilities of individuals, communities, business, labour and government. A written report containing evaluations of the process, the resources used to support it, and the ideas and recommendations generated at the local strategy discussions, was prepared by each of the pilot sites.

The general observations from the discussions held in the four pilot communities can be summarized under three broad headings:

#### **Community Potential**

There is a strong willingness and tremendous potential at the community level to explore new ways of dealing with local problems of job creation and economic development. Each community, however, will respond differently to the challenge of planning for change. For example, the degree of involvement of municipal governments varies widely among communities — from no involvement to significant participation. It appears that it may be easier for smaller communities (than larger centres) to bring a cross-section of community interests together to address economic issues.

#### **Government as Obstacle**

There is a strong perception that central government lacks trust and confidence in the capacity of communities to effect real change. While there is a strong understanding and acceptance of the fiscal limitations of central government at the local levels, there is frustration with the rigidity of central government programs/services/funding mechanisms that prevent communities from moving in new directions. There also appears to be a proliferation of different groups emerging in communities in an attempt to fill the gap between existing government programs. This trend raises questions and concerns about where the leadership and competence in areas of job creation and economic development lie in the community.

#### **Growing Gaps**

Gaps are growing between the initiatives and responsibilities of local government versus "other" community development processes, such as Healthy Community Coalitions and District Health Councils, and between traditional economic development (macro solutions) and new economic development opportunities (micro solutions, entrepreneurship). There seems to be little appreciation of the potential gains to be made by integrating these differing perspectives. There is also a significant information gap between policies developed centrally and the potential for local implementation. People in communities often do not know what programs exist centrally that could help them.

#### c) Key Findings — Job Creation and Community Mobilization

- There is a strong willingness at the community level to explore new ways of dealing with local problems of job creation and economic development.

  There is also much frustration with central levels of government which are seen as not supportive of local initiatives or unable to understand or respond to the unique concerns of communities.
- There is also some feeling of helplessness in the face of major change in the economy. The Committee is concerned that after years of looking to central levels of government to do something about local problems, many communities do not know where to turn when there is no response from central governments. The policy forum itself illustrated some of the difficulty. There was a feeling of, "What happens now that we have submitted a report to government?" from some participants. The Committee had hoped that the pilots would be catalysts for local action.
- It is essential that communities have authority commensurate with local responsibilities. If communities accept more responsibility for their economic development, they must have the tools of authority to back up their decisions. For that to happen, central governments have to give up some control.
- The answers to the economic development questions of the 1990s may well come from non-traditional sources. It is important to encourage innovation wherever it grows. However, governments at all levels federal, provincial, municipal have been slow to try new solutions. More important, however, there is a strong perception that central governments have been slow to trust and empower communities to do things their own way.
- There are real barriers to community economic development and job creation. One is lack of information; there needs to be improved communication and access to information about the programs available to communities to build economic momentum. It became clear from the results of the policy forum that good policies and intentions are not being translated to action at the community level largely because of a lack of awareness and understanding of these programs.
- Another barrier involves the structures of government. The traditional structures by jurisdiction, ministry, program, budget line do not correspond to communities' needs. These traditional structures may also be interfering with government's ability to provide useful assistance and to support innovation in communities.

## EVOLVING DECISION-MAKING



#### a) The Task Force

The concept of devolution as an effective means by which local communities or regions can assume greater authority over, and responsibility for, the planning, funding, management and delivery of services to their citizens has been debated for more than three decades in Canada.

The devolution of health and social services through transfer of decision-making from the central government to a local or regional level has been an ongoing theme studied by the Ontario Premier's Councils since the establishment of the first Council, the Premier's Council on Health Strategy, in 1987. There are examples of devolution in other provinces and other countries. While the concept is not new, there is renewed and intense interest in it now in Canada, as governments undertake strategies to reform health and social services systems.

The Resource Management Committee created a Task Force on Devolution in 1992 (members are listed in Appendix D ) to pursue the debate on devolution in Ontario. The mandate given to the Task Force was to further the debate on devolution by implementing three to five demonstration (pilot) projects in Ontario to assess the actual impact of devolving decision-making for health and social services. By implementing and evaluating actual demonstration projects of devolution, the Task Force believed that it could provide the evidence needed to guide future decisions for the eventual transfer of greater control to local decision-makers

Neither the Committee nor its Task Force advocated devolution of health and social services across Ontario. What members advocated is testing how it works and what its effects are. Is there potential for improved health and well-being by giving communities more control over health and social services in their area? This position of neutrality was maintained throughout the process.

The Task Force decided that eligible models of devolved local decision-making should adhere to general principles, including: centrally-determined standards; a determinants of health framework; inclusion of a broad-based coalition of stakeholders; adherence to existing budget allocations; and operation within a specified geographic boundary.

The Task Force felt it was essential that any pilot projects involve, at least in the longer term, both health and social services. The Ministry of Health suggested in 1993 that the Task Force consider evaluating projects already under way in the health sector, such as the Comprehensive Health Organization or the enhanced role of District Health Councils. Given its focus on both health and well-being, the Task Force felt that a truly devolved model would have to encompass potential trade-offs, at least among programs, if not across ministries. Therefore, it rejected the idea of a single-system model.

Neither the Committee nor its Task Force advocated devolution of health and social services across Ontario.
What members advocated is testing how it works and what its effects are.

The demonstration projects that the Committee had hoped to implement did not get off the ground. The timing may have been the biggest problem; the proposal for demonstration projects coincided with the worst recession since the Great Depression which had a devastating impact on the fiscal position of the Ontario government.

The Task Force had to be flexible. Since there seemed to be considerable confusion over what devolution means, the Task Force developed its own definition. Initially, it was felt that devolution of health and social services had to be the transfer of all functions — planning, funding, management, delivery and revenue generation — to the local level. But the Task Force came to believe that devolution should be viewed on a continuum. The definition of devolution developed and adopted by the Task Force is as follows:

Devolution of health and social services involves the transfer of greater control and decision-making for some or all of the planning, funding, management, revenue generation and delivery functions. The degree of devolution lies along a continuum between full central control and full local/regional control. Devolution can occur for any or all of the dimensions indicated.

Unable to proceed with demonstration projects, the Task Force turned its attention to what had been identified as a major gap in the work on devolution — evaluation. Although devolution models were operating in various places, research revealed a lack of empirical measurement or evaluation criteria to determine if expected outcomes were actually being achieved. There was also little information available on implementation, including the success of the various accountability and governance structures, funding mechanisms, management and delivery systems, units of devolution and planning activities.

#### b) Developing a Framework to Evaluate Devolution

The Task Force developed a generic framework for evaluating devolution. It was believed that the development of such a framework would be invaluable, at both local and central levels, for evaluating regionalized/decentralized/devolved service systems and the processes employed to achieve, maintain, and improve them. More specifically, an evaluation framework would be useful in assessing whether a devolved system would do what its supporters believed it would:

- provide greater accountability;
- strengthen local planning;
- provide increased control over local priorities and decision-making;
- ensure better coordination and integration in the planning and delivery of health and/or social services; and
- support a movement to planning based on the needs of the local population.

Given the lack of a specific model on which to base the evaluation, the development of a generic framework proceeded on the assumption that all models of devolution share

common characteristics which can be evaluated using similar approaches. The framework that was developed included a logic model which described:

- The process of devolving power from the provincial government (or any other level) to a local/regional group;
- The resulting impact of this devolution on decision-making; and,
- The subsequent effect (i.e. outcomes) of those decisions on service delivery and on people living in the communities.

The framework provides for evaluation of immediate (short-term) outcomes in areas such as service provision, system management and the meeting of needs, as well as the evaluation of ultimate (long-term) outcomes in terms of the well-being of people in the community and the potential for cost containment.

Following the development of the logic model, a series of evaluation questions and indicators were developed for refining the evaluation framework for specific devolution models. The framework for evaluating devolution was based on the assumption of four stages:

A change in power structure...

Community participation in decision-making...

LEADING TO...

Services reflecting community need and a well-managed system...
LEADING TO...

Enhanced well-being of people and a more cost-effective system.

Based on these assumptions, a modular approach was developed to answer specific questions (related to indicators) for each stage. Each module addresses the objectives and outcomes of the framework and permits tailoring the evaluation to the specific devolution model under consideration. In total, 78 questions and 67 indicators were developed. The key components that make up the evaluation framework are contained in *A Framework for Evaluating Devolution* released in October, 1994 by the Task Force.

# OVER THE COURSE OF ITS WORK, THE TASK FORCE PRODUCED THE FOLLOWING:

- A background paper on models of devolution and decentralization in Canada and other countries;
- A stakeholder analysis assessing the degree of support and opposition to devolution in Ontario;
- A workshop on funding methodology, identifying issues involved in establishing a funding envelope for a region and distributing that envelope within the region;
- A workplan for initiating demonstration models;

- A new definition of devolution to serve as a basis for further discussions;
- An evaluation framework to guide further research and evaluation of devolution efforts and effects, detailed in a report called A Framework for Evaluating Devolution;
- A final report on its work, titled *Devolution of Health and Social Services in Ontario*: *Refocusing the Debate.*

# c) Key Findings — Devolution

- The Committee continues to believe that a closer examination of devolved models of health and social services planning, funding, management and delivery would help in making future decisions to improve the efficiency and management of these systems and lead to new methods of allocating/reallocating scarce resources.
- The stakeholder analysis conducted by the Task Force revealed no major opposition to devolution in Ontario. However, key to any devolution experiment is commitment from the Province. The Committee expects there are several communities that would be willing and eager to commit to a demonstration project in devolution in an effort to determine "what actually happens when devolution occurs." What is required is a political decision to get the projects under way.
- The evaluation tool developed by the Task Force should be used to ensure that any devolution project is rigorously examined to see whether it yields the desired results. Application of the evaluation framework will help focus the discussion on the actual outcomes. It should also be useful in raising questions about the current practices of resource allocation and making discussions about devolution more focussed and precise than previously possible.
- A key concern is that some of the potential benefits of devolution such as local ownership and accountability or improved patterns of resource allocation might come at the expense of equity, both within a local jurisdiction and between jurisdictions. It is essential to track these potential tradeoffs to see if, overall, greater local control leads to improved well-being and to monitor regional disparities.
- Inherent in the Task Force's approach was an explicit emphasis on developing strong provincial standards and guidelines to ensure that the provision of care is maintained above a certain level in the province, and that movement towards a needs-based, community-centred approach to service provision and planning is adopted.

# SECTION THREE

# Conclusion and Recommendations

he current definitions of "productivity"

in the health sector ignore much of what is

known about the determinants of health.

Producing existing services or programs

more efficiently should not be the key

objective — improving productivity by

focussing increasingly on those services that

demonstrably improve health is the key.

# DEFINING NEW DIRECTIONS



In this final chapter, the Committee sums up its conclusions and links the policy areas that have been the focus of its work. The Committee confronts the question posed in the title of this report: Optimizing Resources for Health: Are we tackling the real issues?

# a) Common Themes

In considering its findings from the four policy areas, the Committee determined there were some common themes. Some of these represent concerns and others, opportunities.

- 1. Fundamental reform is needed, not just incremental change This is true in resource allocation and management, in economic development, in labour adjustment, and in relations between central governments and communities. The Committee does not believe that incremental change will suffice. In fact, piecemeal changes may hamper the development of new options for fundamental change.
- 2. New options are needed to meet the challenge of diminishing resources Realistically, more resources are not going to be available to solve the problems facing Ontario. The reason that resource reallocation is so crucial is that the resource "pie" for health, welfare, job creation and all the other public priorities, is shrinking. Choices must be made.
- 3. The link between health and economic well-being must be recognized in priority-setting People understand the determinants of health because they experience the interrelationships in their daily lives among job, family, community, environment and well-being. That understanding should help support reform that bridges health care, social services and economic well-being. Decisions about policy choices need to be framed within this context.
- 4. Structures of government are barriers to real reform The institutional rigidities built into traditional structures, whether jurisdictions, ministries, programs or budgets, surfaced again and again as preventing or slowing down needed change. The so-called "silo" effect of large, vertical bureaucracies is a problem for people, within and outside government, who are trying to implement reform. Governments need to decide what businesses they should be in, and why and how they should be in them. For example, central governments could devolve more responsibilities to communities, while providing direction in the form of legislation, policy and standards.
- **5.** Moving responsibilities to communities offers potential, not panaceas It is important not to be overly romantic about the benefits of releasing the energies of communities. However, it is also important to give them room to innovate

and the authority to go along with increased responsibilities. In economic development, labour adjustment, planning, management and resource allocation for health and social services, the potential of communities must be recognized and then evaluated.

**6.** Planning and resource allocations should be based on needs — Planning and resource allocation now tend to be based on the preferences of service providers, and the traditions of programs and institutions. New approaches are required to ensure planning and resource allocation are based on the needs of communities and the people in them.

# b) Recommendations and Next Steps

The Committee has agreed to put forward five recommendations which address the key issues that arose from its analysis. These recommendations build on the opportunities — and attempt to overcome the barriers — revealed in the common themes identified above.

In addition to recommendations, the Committee presents next steps, which were approved by both Premier's Councils at their last joint meeting in June, 1994. The next steps are ways in which the new Premier's Council — formed from a restructuring of the Premier's Council on Health, Well-being and Social Justice and the Premier's Council on Economic Renewal — can further advance debate and understanding on these important matters.

The recommendations and next steps are discussed under three headings:

- Towards a Fundamental Realignment (resource reallocation);
- Towards Reform in Labour Adjustment (labour adjustment and mobility); and,
- Harnessing Community Strengths (economic development and devolution).

# i) Towards a Fundamental Realignment

The Committee acknowledges the work that has been done in the public sector to support economic renewal and restrain spending. But much is left to be done by way of confronting some of Ontario's most difficult economic and fiscal issues. We must move forward with innovative solutions that will provide opportunities not only to use our financial and human resources more effectively, but to improve the health and well-being of Ontarians.

Within the area of health spending, the Committee is convinced that radical change is necessary. The Committee believes, based on its expenditure analysis and the outcomes of the policy work conducted over the course of its mandate, that Ontario must rethink its current system of resource allocation.

In spite of the significant efforts that have been made to date to realign and restrain health spending, the Committee believes there will be little constructive, long-term benefit from these efforts and little hope for truly innovative reform unless a new framework is developed. That framework must be based on the needs of people in communities, rather than on existing patterns of use of institutional, programmatic or provider services.

The underlying principle is simple: money should flow to where the needs for publicly funded services are greatest. Implementation of this principle, however, will require a fundamental change in approach.

To be workable, the new framework has to be inclusive. Reform should encompass the whole health care budget. While reforms are occurring within programs areas and within budget categories, it is essential that, for the medium to longer term, the reform process becomes more comprehensive. The Committee believes this is the only way Ontario will achieve true innovation and reform in health funding and service provision.

It is necessary to open up the budget categories and look at them all in the broader context of health and well-being. We cannot continue to discuss one set of issues affecting hospitals, for example, in isolation and in the abstract, apart from what's happening to nurses or doctors or other parts of the health system. We should also examine spending in the health system in the context of what is happening in other sectors, particularly social services.

The Committee urges the Ontario government to make changes that will shift the emphasis from managing health care to managing a system that produces health and well-being; from managing for short-term improvements to managing for long-term gains; from taking small, incremental steps towards an improved fiscal position and beginning a process of major reform that will transform how Ontario spends public dollars, and what benefits they bring to the public.

## RECOMMENDATION 1:

Ontario should move towards allocation of resources based on the health needs of residents in a geographic area rather than allocation based on existing or historical expenditure patterns.

## **RECOMMENDATION 2:**

Reform of provincial health spending and service provision should be comprehensive; that is, it should move beyond current reforms that affect specific budget categories to include the total health spending envelope.

# NEXT STEPS

It is the Committee's view that the next step in moving towards implementation of the above recommendations is to undertake a research project to determine how allocation mechanisms for health and social services can be based on health needs of the residents in specific geographic areas.

The Premier's Councils approved the Committee's recommendation for a research project that would involve the calculation of resource shares for each county in the province, based on dividing up the present pie according to the prevalence of problems in each county, and comparing these findings to the current share of the pie that is being allocated to the area according to programs, providers and institutions. It may be possible, in fact, to

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Implementation of this principle, however, will require a fundamental change in approach.

develop a decision support tool to enable health providers to respond effectively to this multi-dimensional, complex problem (e.g., use computer graphics to provide a visual map of Ontario that highlights and contrasts the regional and community differences in capabilities and needs).

# ii) Towards Reform in Labour Adjustment

If fundamental reform in health and social services is to be achieved, there must be correspondingly major reforms in the way we approach human resource issues — people issues. Making the most effective use of the enormous number of talented people in the health and social services sectors will be critical to the future effectiveness and efficiency of the system. A failure to address the significant impact of reform on this labour force will be disastrous — in both human and economic terms.

Labour adjustment and mobility issues cut through all areas of health and social services reform today. Given that restructuring will continue to occur in these sectors, it is imperative

Making the most effective use of the enormous number of talented people in the health and social services sectors will be critical to the future effectiveness and efficiency of the system. A failure to address the significant impact of reform on this labour force will be disastrous — in both human and economic terms.

that some mechanism be found to address these issues. Currently, the debate is treated almost exclusively as a labour-management issue. Since these sectors are dominated by professional groups, the framing of most problems as union-management issues in an industrial relations perspective is seriously incomplete. Issues of efficiency and effectiveness in health and social services have more to do with the management and coordination of professional roles and responsibilities than with traditional labour-management issues. A broader approach must be taken.

The current definitions of "productivity" in the health sector ignore much of what is known about the determinants of health. Producing existing services or programs more efficiently should not be the key objective — improving productivity by focusing increasingly on those services that demonstrably improve health is the key.

The people who work in health and social services have a variety of different skills, some highly specialized (like nurses), some less so (like food services staff or housekeepers in institutions). It should be possible to increase flexibility and mobility for all kinds of workers within and across the health

and social services sectors to provide work opportunities — when, for example, institutions are downsizing or closing — and to ensure that the system makes the best use of available skills.

Real progress in labour adjustment will not be made by dealing with the issue only at the provincial level. Complementary labour adjustment strategies need to be developed locally. Real progress in labour adjustment will only be made if a provincial framework is developed that will enable local/regional areas to develop their own solutions that will respond to the specific needs of a particular community. Consequently, central policy decisions will need to take into account the ability of local groups to adjust to their own circumstances.

# **RECOMMENDATION 3:**

A labour adjustment strategy should be developed for the medium term (three to five years) that cuts across the various sub-sectors in health and social services, enables development of local/regional strategies within a provincial framework, tackles issues of mobility and retraining, and promotes improvement in health outcomes.

# NEXT STEPS

It is recommended that a series of regional forums be held to investigate strategies for addressing medium-term issues of labour mobility and adjustment in the health and social services sectors. This work should be undertaken as part of the future work of the Premier's Council in partnership with the Health Services Training and Adjustment Program (HSTAP) and the Ontario Training and Adjustment Board (OTAB).

# iii) Harnessing Community Strengths

While there is an acknowledged role for centralized structures (e.g. taxation, standard setting, evaluation), we need to create an environment that will avoid excessive dependency on central structures. In addition, there has emerged a general recognition that the nature of the demands which individuals, organizations and communities place on government has shifted and continues to shift — yet the apparatus of government has not moved quickly enough to meet the changed needs.

The Committee recognizes the potential for the liberation of energy and creativity at the local level and encountered a number of concrete examples of it in the "Creating a Future that Works" project, in its initial work on devolution, and in its work on labour adjustment.

The outcomes of these projects showed that the chances of producing province-wide change that solves all the local problems are very small, and that there may be merit in working on developing local solutions initially in areas where there is a sensitivity and willingness to move ahead. It is within this framework that initial changes can be tried, tested, and evaluated. Learning from these first initiatives will shed light on how other areas might work.

There needs to be a different balance between centrally controlled standards and guidelines for communities, and what communities can do for themselves.

The balance must shift away from the centre.

However, there is no assurance that the outcomes of local processes will automatically produce greater health, well-being and social justice across the community. Any movement towards devolution must be carefully evaluated because there are no guarantees that a local/regional approach will ensure the elimination of duplication, achieve economies of scale, or improve access and the continuity of care. If it results in improved outcomes for health, well-being and social justice, who will benefit from that improvement? Will benefits be equitable?

The movement towards greater local/regional control is a slow process of building trust and relationships. Except for the stimulus/response that comes from an extreme threat to a community (loss of employment base or other crisis) the process of change at the community level is not well understood. The means by which the energies of citizens can be tapped to foster collaborative effort with others are not altogether clear, at least in a generic sense. But even if not completely understood, the process does happen, and when it happens, it can be very beneficial.

The outcomes of these projects showed that the chances of producing province-wide change that solves all the local problems are very small, and that there may be merit in working on developing local solutions initially in areas where there is a sensitivity and willingness to move ahead.

One of the key barriers is government. Its structure restricts its ability to respond to joblessness and the social and health costs of unemployment in an integrated way that crosses ministry and institutional boundaries. Continuing with the current course of having community decisions ordained centrally will continue to impede real change. But mobilizing the power within communities will not result in equally effective processes in all places. While some communities will emerge as leaders, others will be left behind. Within a provincial framework that sets out clear expectations for effectiveness and equity, government should be prepared to live with the priorities set by local communities, and to develop a tolerance for the diversity of patterns of implementation that will emerge.

# **RECOMMENDATION 4:**

The provincial government should examine the potential of lifting restrictions and providing incentives to support, encourage and sustain local leadership and innovation in community-based economic development.

# **RECOMMENDATION 5:**

The province should commit itself to instituting demonstration projects to test the devolution of significant authority for health and social services to the regional or local levels. That authority should include responsibility for resource allocation at the community level including a budget envelope that covers a comprehensive array of programs and services that will allow greater flexibility and encourage trade-offs that will help meet the needs of the specific community. These projects should be subject to rigorous evaluation.

# NEXT STEPS

The Premier's Councils have approved going back to the four pilot communities who participated in the "Creating a Future that Works" policy forum on local job creation and working with them to see what can be accomplished over the next year to:

- Facilitate access of these communities to federal, provincial and local government organizations and identify the appropriate route for implementation and development of community-identified job creation activities;
- Nurture the community development process, establish better communications and strengthen relations between government and non-government organizations and rectify other deficiencies; and,
- Identify the impact and outputs from this process.

There was also a strong endorsement by the members of The Premier's Councils to continue work on the merits of evaluating devolution, with specific approval of the recommendations of the Task Force on Devolution. The Task Force recommended:

- Adoption of its definition of devolution;
- Endorsement of the evaluation framework and pilot-testing of the framework;
- Subsequent application of the framework to pilot sites (within or outside Ontario) where there is "significant devolution", including transfer of authority for resource allocation; and
- Development of a common approach to a needs-based, community-centred health and social services system.

# c) Conclusion

This chapter is called *Defining New Directions* because it is the Committee's hope that its recommendations and next steps will help to move Ontario towards a needs-based, community-focused approach to improving the health and well-being of Ontarians. This approach supports the reallocation principles the Committee developed early in its work, which focused on the need to:

- FOSTER ECONOMIC RENEWAL AND SUSTAIN WELL-BEING
- INVEST IN THE DETERMINANTS OF HEALTH
- PROMOTE EQUITY
- PROVIDE INCENTIVES FOR TRANSFORMATION OF HUMAN SERVICES
- **MITIGATE SHORT-TERM UNEMPLOYMENT**
- DEMAND ACCOUNTABILITY FOR OUTCOMES.

The Committee realizes that its recommendations will be difficult and controversial to implement. If they were easy to do, they would not represent radical reform. It is the Committee's view that the overarching public policy issue of the '90s — improving outcomes within limited resources — will be addressed only if public policy makers are willing to break through existing barriers — to make a fundamental realignment in the way resources are provided for health and social services, in both financial and human terms, and to take a chance on releasing the potential of communities to find some of their own solutions.

Making that breakthrough will require a determination to approach policies, programs and resources in ways that reflect the real lives of people and communities as they are today. It will require a framework that promotes both diversity and equity. It will require collaboration among a diverse set of players in communities and across service systems. It will require that intangible thing called political will if we are to truly tackle the real issues.

# Appendices

# · IPPENDIX A

# Membership\* of the Resource Management Committee

Jalynn Bennett Jalynn H. Bennett & Associates Ltd., Toronto

Ted Boadway Ontario Medical Association, Toronto

John Evans Allelix Biopharmaceuticals, Toronto

Peter Glynn Kingston General Hospital, Kingston

Jonathan Lomas Centre for Health Economics and Policy Analysis, McMaster University, Hamilton Cliodhna McMullin Ministry of Community and Social Services, Toronto

Jodey Porter Ministry of Health, Toronto

Don Richmond Community Services for Metropolitan Toronto, Toronto

Ron Saddington McKellar General Hospital, Thunder Bay

Barbara Stewart Ministry of Finance, Toronto

Joy Warkentin (Chair) Confederation College, Thunder Bay The committee would also like to acknowledge the input of previous members including:

**Kevin Costante**Ministry of Community and Social Services, Toronto

Julie Davis Ontario Federation of Labour, Don Mills

Jay Kaufman Treasury Board, Toronto

Fred Upshaw Ontario Public Services Employment Union, Don Mills

# · IPPENDIX B

# Membership\* of the Planning Sub-Committee for the "Creating a Future that Works" Project

Joan Andrew Ministry of Education and Training, Toronto

David Baker Advocacy Resource Centre for the Handicapped, Toronto

Jalynn Bennett
Jalynn H. Bennett &
Associates Ltd., Toronto

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Ontario Round Table on
Environment and Economy,
Toronto

Kay Blair Rexdale Micro-Skills Program, Rexdale Gayle Broad Algoma Community Legal Aid Clinic, Sault Ste. Marie

Marie Burke, Mississauga

Bob Cooke, Fair Tax Commission, Toronto

Kevin Costante Ministry of Community and Social Services, Toronto

Randi Fine Self-Help Clearing house of Metropolitan Toronto, Toronto

Nathan Gilbert Laidlaw Foundation, Toronto

Patrick Johnston
Canadian Council on Social
Development, Ottawa

Rita Karakas TVOntario, Toronto

Marjorie Mercer Ministry of Education and Training, Toronto

John O'Grady Labour Consultant, Toronto

Don Richmond (Chair) Community Services for Metropolitan Toronto, Toronto

Tom Savage International Telephone and Telegraph, Toronto

Barbara Stewart
Ministry of Finance, Toronto

Julie White
The Trillium Foundation,
Toronto

<sup>\*</sup> Positions noted were those held at the time of appointment.

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# Policy Forum Project: Creating a Future that Works

## Phase I — Panel Discussion

Phase 1 of the policy forum resulted in the production of a video — "Creating a Future that Works" — based on a panel discussion on the trends and projections for employment and economic growth in Ontario. The discussion was moderated by Pamela Wallin, CBC-TV.

Panelists\* participating in the discussion were:

# Mary Coyle

Executive Director, Calmeadow Foundation, Toronto

# Leo Gerard

National Director (Canada), United Steelworkers of America

# Patrick Johnston

Executive Director, Canadian Council on Social Development, Ottawa

# Ian Lennox

President, Monsanto Canada, Inc., Mississauga

# Michael McCracken

President, Informetrica, Ottawa

# Judith Maxwell

Executive Director, Queen's University of Ottawa Economic Projects

# John O'Grady

Labour Economist, Toronto

# Phase II — Pilot Projects

### Hamilton-Wentworth

Co-Sponsors:

Social Planning and Research Council of Hamilton Wentworth

The Rotary Club of Hamilton—Self Help Group

Hamilton-Wentworth District Health Council

Health of the Public Project, McMaster University

### Kirkland Lake

Co-sponsors:

Kirkland Lake Chamber of Commerce Kirkland Lake Branch of the Canadian Mental Health Association

### Sault Ste Marie

Co-sponsors:

Social Planning Council's Health Communities Committee

Algoma University College

Sault College of Applied Arts and Technology

# Rural Communities of Peterborough, Victoria, Northumberland and Haliburton Counties

Co-sponsors:

Well-being in the Rural Community Task Force Haliburton, Kawartha and Pine Ridge District Health Council

<sup>\*</sup> Positions noted were those held at the time of appointment.



# Membership\* of the Task Force on Devolution

**Peg Folsom** (*Chair* — 1993-94)

Jonathan Lomas (Chair — 1992-93) Centre for Health Economics and Policy Analysis, McMaster University, Hamilton

Jodey Porter Ministry of Health, Toronto

Don Richmond Community Services for Metropolitan Toronto, Toronto

Ron Saddington McKellar General Hospital, Thunder Bay

Joy Warkentin Confederation College, Thunder Bay The committee would also like to acknowledge the other individuals who assisted in the development of the framework for evaluating devolution.

Stephen Dibert Institute for Work and Health, Toronto

Arlene Hoffman Ministry of Community and Social Services, Toronto

Lynne Lawrie
Association of District
Health Councils of Ontario,
Toronto

Katy Nau Ministry of Health, Toronto

<sup>\*</sup> Positions noted were those held at the time of appointment.



# Annotated bibliography of other publications and resource materials produced by the Resource Management Committee

# Reports

Devolution of Health and Social Services in Ontario: Refocusing the Debate, a report of the Task Force on Devolution, Premier's Council on Health, Well-being and Social Justice, October, 1994.

■ This report outlines the work of the Task Force (1992-94), including its change in mandate in 1993, and describes the key products and recommendations developed as a result of its work. The report recommends a new approach to devolution and suggests how Ontario might begin to move beyond a debate of the issue.

A Framework for Evaluating Devolution, a report of the Task Force on Devolution, Premier's Council on Health, Well-being and Social Justice, October, 1994.

This document, commissioned by the Task Force on Devolution, was developed by the ARA Consulting Group (Toronto) to evaluate existing models of devolution and to guide the evaluation of future models. The framework is intended to serve as a guide or foundation for groups interested in such evaluations.

# **Discussion Papers**

The Evolution of Devolution — Political analysis of interest group reaction to the concept of community empowerment in the design and operation of health and social service systems. A background paper prepared by Health Concepts Consultants. Toronto: Premier's Council on Health, Well-being and Social Justice (unpublished, February, 1993).

■ This is a background report prepared for the Task Force on Devolution. This paper is a political analysis of interest group reaction to the concept of devolution within the health and social services system in Ontario.

Devolution and Decentralization of Health Care Systems: A review of models. A background paper prepared by Vandna Bhatia and Stephen Dibert for the Task Force on Devolution of the Premier's Council on Health, Well-being and Social Justice, June, 1993

■ The paper outlines the characteristics of a number of devolved models either proposed or implemented in several Canadian jurisdictions. Rationales are given for the devolved models. The structure and governance of the given model, the functions devolved, and the implementation outcomes are described. The report found no universal recipe for a successful model or implementation plan, nor was there a standard rationale favoured by a majority of the jurisdictions. Each model represented the unique characteristics and context of its jurisdiction.

Medium-Term Labour Adjustment Issues in the Health and Social Services Sectors: Initiating a Debate. A discussion paper prepared by the Resource Management Committee, Premier's Council on Health, Well-being and Social Justice, June, 1994.

This report highlights the key findings obtained in two rounds of interviews conducted pre and post social contract on issues concerning labour mobility and adjustment in the health and social services sectors. The report proposes a number of questions that need to be explored if those dislocated from the labour market will be redeployed, to the extent possible, within the system.



The Crunch: Financing Ontario's Social Programs, a discussion paper by Brad Graham and Ernie Lightman, March, 1992.

This discussion paper analyzes recent patterns of provincial spending for social programs. Program expansion, recession and federal withdrawal from cost-sharing has left the province with few options in its pursuit of increased equity and improved conditions for the disadvantaged.

# **Videos**

Creating a Future that Works, produced by the Resource Management Committee, Premier's Council on Health, Well-being and Social Justice, January, 1994.

Today's record high levels of unemployment and underemployment are threatening three critical dimensions of people's lives — personal self worth, social connectedness, and income security. It is hoped that this video will encourage communities to begin to identify their own directions and practical approaches for creating new economic activity and employment. How can we create new jobs that will generate the kind of growth needed for a prosperous society, preserve our social fabric and provide our young people with a promising future? What are the forces that are shaping the jobless recovery in the new economy? How can we create a more productive society in which we can all participate? What can individuals and communities do to make a difference? These are some of the questions discussed by a small group of panelists brought together by the Resource Management Committee of the Premier's Council. It is hoped that this video will encourage communities to begin to identify their own directions and practical approaches for creating new economic activity and employment. (Time: 38:50 minutes)

Workable Solutions, produced by the Resource Management Committee, Premier's Council on Health, Well-being and Social Justice, March, 1994.

• New economic realities are forcing people and communities to examine their internal resources and build on their strengths to create jobs. This video was shot in three segments, one each in Kapuskasing, Ontario; St. Clement, Québec; and Dunnville, Ontario. Each story sends a message of hope and offers possibilities for addressing the issue of joblessness at the local level. (Time: 23 minutes)

The video was sponsored by the Resource Management Committee as part of the "Creating a Future that Works" project.

*Starting Over*, produced by the Resource Management Committee, Premier's Council on Health, Well-being and Social Justice, March, 1994.

This video profiles four grassroots community development initiatives that address both social and economic needs of individuals and communities. It examines the struggles of individuals, their attempts to overcome difficult situations, and the community support they've encountered.

Starting Over was developed by volunteers representing several community development projects across Ontario. It was sponsored by the Resource Management Committee of the Premier's Council as part of the "Creating a Future that Works" project.



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